

NSC BRIEFING

7 May 1958

**INDONESIA (Background)**

**I. North Celebes dissidents demonstrating increasing aggressiveness against government targets East Indonesia.**

**A. Following successful 28 April Morotai landing, 500-man force under command of Lt. Col. Sumual on Monday made unopposed landing and secured airfield at Djailolo on Halmahera island; air cover provided by two P-51's.**

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**C. Dissident capital has been transferred to Manado on 5 May and Colonel Warouw, former military attache to Peiping, designated administrative head in absence Sjafruddin.**

**II. Dissident air attacks having profound cumulative effect, both militarily and politically.**

**A. Air force staging base for operations against North Celebes reportedly forced to move from Balikpapan to Sandjerasin, as result of air strikes.**

**dissident air activity having serious effect on army, presumably in terms of morale.**

**D. Air action may prove major delay factor to government invasion of North Celebes.**

State Department review  
completed

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25X1 F. Meanwhile, dissidents [redacted] bombed Ambon on 7 May  
destroying a P-51 and a military transport aircraft. 25X1

III. In political field, air attacks have brought strong government  
accusations of US involvement and implied threat of reprisal.

A. Djuanda has told US Ambassador he knows US is supporting  
dissidents from Clark Field in Philippines, demanded this be  
stopped.

25X1 B. Ambassador had impression Djuanda feared US-Indonesian relations  
at crossroads, and next few days might determine outcome.

C. Djuanda has told press he writing to several heads Asia-African  
countries describing presence of American and Chinese nationals  
among dissidents. *S. Commie press: Henry Terry, American, heavy anti-US  
barage over reported deaths of Henry Terry, American  
indiscriminate air attacks.*

IV. Secretary General Aloit of Indonesian Communist Party in telegram  
to US ambassador, threatened to encourage action against US interests  
in Indonesia if "aid...from your country to the rebels is not  
immediately stopped."

A. Communists dominant influence among workers in US-owned oil and  
rubber interests on Sumatra.

B. Communist film workers in Indonesia have already begun agitating  
for strike *Boycott* against showing of US films.

V. In Sumatra, army announced "liberation" of Bukittinggi on Sunday, although government military patrols apparently had been in city since 28 April.

A. Rebel guerrilla activity, although scattered, has hampered government operations.

B. In South Sumatra, Lt. Col. Barlian apparently has been relieved although officially on "sick leave."

VI. There are several reports of feelers by Djakarta for peaceful settlement.

A. According to govt officers, army has plan whereby rebel leaders will be informed that new cabinet dominated by army and free from leftist influence will definitely be formed.

B. Civilian govt leaders apparently have another plan which involves convincing President Sukarno of need for positive action against Communists but which will use army to isolate Sukarno if he refuses to cooperate.

C. Setting aside of Sukarno, however, either by politicians or military would be difficult.

VII.

[redacted] at least three Soviet MIG aircraft are being assembled at Surabaya, possibly by bloc technicians who said to have arrived recently.

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